



8011-01p

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Public Law No. 94-409, that the Securities and Exchange Commission will hold an Open Meeting on Monday, October 26, 2015, at 1:00 p.m., in the Auditorium (L-002) at the Commission's headquarters building, to hear oral argument in an appeal from an initial decision of an administrative law judge by Respondents ZPR Investment Management, Inc. ("ZPRIM"), and Max E. Zavanelli ("Zavanelli").

On May 27, 2014, the law judge found that ZPRIM violated Sections 206(1), (2), and (4) of the Investment Advisers Act of 1940 and Advisers Act Rule 206(4)-1(a)(5), by misrepresenting compliance with the Global Investment Performance Standards ("GIPS") in magazine advertisements and investment report newsletters. The initial decision also found that Zavanelli aided, abetted, and caused, and was primarily liable under Sections 206(1) and (2) for, each of ZPRIM's violations based on these misrepresentations.

In addition, the law judge found that ZPRIM violated Sections 206(2) and (4) and Rule 206(4)-1(a)(5) by negligently claiming in a Morningstar report for the period ended September 30, 2010 that (a) an independent third party had verified ZPRIM's compliance with GIPS "to the present," and (b) ZPRIM was not under Commission investigation, although neither of these things was true. The law judge also found that ZPRIM violated Sections 206(1), (2), and (4) and Rule

206(4)-1(a)(5) by repeating its false claim that it was not under Commission investigation in a Morningstar report for the period ended March 31, 2011. The initial decision found that Zavanelli caused each of ZPRIM's Morningstar violations but did not aid and abet them.

For these violations, the law judge barred Zavanelli from association with any investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; ordered ZPRIM to cease and desist from committing, and Zavanelli to cease and desist from committing, aiding, abetting, or causing the commission of, any violations or future violations of Advisers Act Sections 206(1), (2), and (4) and Rule 206(4)-1(a)(5); and imposed civil money penalties of \$250,000 on ZPRIM and \$660,000 on Zavanelli.

Respondents appealed the initial decision's findings of violation and the sanctions imposed. The issues likely to be considered at oral argument include, among other things, whether Respondents violated the antifraud provisions as alleged and, if so, what sanction, if any, is appropriate in the public interest.

For further information, please contact the Office of the Secretary at (202) 551-5400.

Brent J. Fields

Secretary

Dated: October 19, 2015.